

# EXHIBIT Q



## **Financial Oversight and Management Board for Puerto Rico**

### **MEDIA RELEASE**

#### **Oversight Board Reaches Agreement on a Framework to Restructure \$35 Billion of Liabilities**

*Agreement a Milestone Towards Resolving Puerto Rico's Debt Crisis*

*San Juan, PR – June 16, 2019* – The Financial Oversight and Management Board for Puerto Rico announced today that it reached an agreement with certain bondholders of the Commonwealth of Puerto Rico on the framework for a plan of adjustment to resolve \$35 billion worth of debt and non-debt claims against the Commonwealth. The agreement will reduce the amount of Commonwealth-related bonds outstanding to less than \$12 billion, a reduction of more than 60%.

The Commonwealth's debt service, including principal and interest over the next 30 years, would be cut by about half, to \$21 billion from \$43 billion.

The agreement with the supporting creditors is an acknowledgement by bondholders, and other parties with claims against the Commonwealth, that Puerto Rico's difficult financial situation requires a meaningful reduction in its debt burden to a sustainable level. The agreement is an important element of a plan of adjustment that would allow Puerto Rico to emerge from bankruptcy early next year. The Oversight Board expects to file that plan of adjustment for the Commonwealth within the next 30 days.

This support agreement with certain Commonwealth bondholders, together with the Oversight Board's agreements with the Official Committee of Retired Employees (COR) to resolve the \$55 billion in pension benefit claims of the Commonwealth of Puerto Rico's retirees announced earlier this week and with unions regarding collective bargaining and retirement benefit agreements, provide Puerto Rico with a viable path to put this restructuring behind it and emerge from the process laid out under Title III of PROMESA.

"The support agreement with creditors and the agreement with COR and the unions are milestones for Puerto Rico on the path towards a future with sustainable debt payments, secure pensions, and fiscal stability," said the Oversight Board's Chairman Jose Carrión. "A Commonwealth plan of adjustment will provide investors with confidence that Puerto Rico has turned the corner after its financial crisis. The people of Puerto Rico will finally be able to live without the uncertainty of

unsustainable government debt that so profoundly affected the Commonwealth's ability to attract investors, create jobs and economic growth."

The agreement provides a greater than 60% average haircut for all \$35 billion claims against the Commonwealth, a 36% haircut for holders of valid Puerto Rico general obligation bonds, and a 27% haircut for holders of valid Public Building Authority bonds guaranteed by the Commonwealth.

This agreement with bondholders, along with the restructuring agreement for the Puerto Rico Sales Tax Financing Corporation (COFINA) approved in February, reduces the Commonwealth's maximum annual debt service payable in any future year by more than 70%, from \$4.2 billion annually to below \$1.5 billion a year.

"We have fought hard for the interests of the people of Puerto Rico and we are glad to have reached a consensual agreement with creditors that lowers Puerto Rico's total debt burden and its annual debt payments significantly," said the Oversight Board's Executive Director Natalie Jaresko. "These were tough negotiations and we are confident we reached the best deal possible for Puerto Rico to move on from decades of incurring debt we could not afford."

The Oversight Board expects to file a plan of adjustment for the Commonwealth in the Title III court within the next 30 days and hopes to emerge from Title III in early 2020.

Find a summary of the terms of the Plan Support Agreement [here](#) and the full Plan Support Agreement [here](#).

#### About the Oversight Board

The Financial Oversight and Management Board for Puerto Rico was created under the bipartisan Puerto Rico Oversight, Management and Economic Stability Act (PROMESA) of 2016. The purpose of the Oversight Board is to provide a method for Puerto Rico to achieve fiscal responsibility and access to the capital markets.

Website: [www.oversightboard.pr.gov](http://www.oversightboard.pr.gov)

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